

REPORT TO COUNCIL



Date: January 17, 2022

To: Council

From: City Manager

Department: Development Planning

Application: Z20-0075

Owner: Prodev GP Ltd. Inc. No. A87135 and
2137259 Alberta Ltd., Inc. No. 2021372590

Address: 2755 McCurdy Road

Applicant: Troika Management Corp.

Subject: Rezoning Application

Existing OCP Designation: S-MU Suburban – Multiple Unit/R-AGR - Rural – Agricultural and
Resource, NAT – Natural Areas

Existing Zone: A1 – Agriculture 1

Proposed Zone: RM3 – Low Density Multiple Housing/RM5- Medium Density Multiple
Housing/P3 – Parks and Open Space

1.0 Recommendation

THAT Rezoning Application No. Z20-0075 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of portions Lot 1, District Lots 124 and 415, ODYD, Plan KAP84653 Except Plan EPP45174, located at 2755 McCurdy Road, Kelowna, BC from the A1 – Agriculture 1 zone to the RM3 – Low Density Multiple Housing, RM5 – Medium Density Multiple Housing, and P3 – Parks and Open Space zone as shown on Map "A" attached to the Report from the Development Planning Department dated January 17, 2022, be considered by Council;

AND THAT Council, in accordance with Local Government Act s. 464(2), not hold a Public Hearing for the Rezoning Bylaw;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Development Planning Department dated January 17th 2022;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the issuance of a Hazardous Condition and Natural Environment Development Permit by the Development Planning Department Manager;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the issuance of a Preliminary Layout Review Letter by the Approving Officer;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the approval of the Ministry of Transportation and Infrastructure;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to registration of a restrictive covenant in accordance with Section 219 of the Land Title Act restricting the number of dwellings on the subject property in relation to the capacity of the water system to supply domestic and fire flow demands in accordance with the Subdivision, Development & Servicing Bylaw No 7900.

2.0 Purpose

To rezone a portion of the subject property from the A₁ – Agriculture 1 zone to the RM₃ – Low Density Multiple Housing, RM₅ – Medium Density Multiple Housing, and P₃ – Parks and Open Space zones.

3.0 Development Planning

Development Planning staff support the proposed application to amend the Zoning Bylaw. If approved the application would allow for the development of the subject area in the form of low and medium density multi-family residential housing, specifically townhouses and apartment buildings up to a maximum of 4 ½ building storeys. If the rezoning application is approved future development will be subject to the City's Hillside Design Development Permit Guidelines.

The property is located within the Permanent Growth Boundary and is adjacent to existing infrastructure such as roads/water/sewer. The proposal is consistent with the recently adopted 2040 Official Community Plan (OCP). Specifically, in accordance with the 2040 OCP the subject property is designated 'Suburban – Multiple Unit (S-MU) which supports a variety of housing types including low rise apartment buildings up to 4 storeys in height.

An extension to McCurdy Road would be required to accommodate the proposed development which would result in a new connection between the Dilworth Mountain neighborhood and Highway #97. The remaining portion of the property is proposed to be transferred to the City to be preserved as park/open space except for a portion of the land may be used to accommodate a future road extension running north-south through the subject property.

4.0 Proposal

4.1 Background

In 2011, an application was made to amend the future land use designation and rezone the subject property to allow for low and medium density multiple unit residential development. The proposal was for approximately 343 units in row housing and low-rise apartment buildings. The area to be rezoned for development generally covered the same portions of the property as the current application and included the extension of McCurdy Road. Following Public Hearing on July 29, 2014, Council gave second and third readings to Official Community Plan Map Amending Bylaw No. 10875 and Rezoning Bylaw No. 10877 for the subject property, under applications OCP11-0011 and Z11-0069, respectively. The applicant chose not to move forward with those applications and submitted a new application in 2016.

In 2016 a revised application was submitted to allow for lower density residential development with approximately 150 apartment and townhouse units and did not include the immediate extension of McCurdy Road. A restrictive covenant was to be registered on title limiting the development to 153 units, or requiring a new Traffic Impact Study should additional units be proposed. The area to be rezoned for development was generally the same portions of the property. Following a Public Hearing on September 19th 2017, Council gave second and third readings to the Official Community Plan Map Amending Bylaw No. 10875 and Rezoning Bylaw No. 10877 for the subject property. The applicant chose not to move forward

with that application and submitted a new application on August 27th 2020 which is currently under consideration and outlined in greater detail below.

4.2 Project Description



The applicant is intending to build townhouses and apartment housing with a total of approximately 300 dwelling units to be built on the subject site. The proposed RM5 – Medium Density Multiple Housing Zone would allow for apartment housing up to 4 ½ building storeys in height, the proposed RM3 – Low Density Multiple Housing zone would allow for 3 storey townhouse or apartment buildings.

Any future development on the site would be subject to Development Permit guidelines related to hillside development. Specifically, in accordance with OCP policy all development in hillside areas with slopes 20% and greater will be reviewed for form and character to ensure preservation of significant natural features, consideration of visual impacts, and high quality urban design.

The property is located within the Natural Environment Development Permit area. The majority of the proposed development area is within ESA3 – 'Moderate', and ESA2 – 'High' environmentally sensitive areas. ESA1 – 'Very High' environmental sensitive areas are to be avoided except for a portion of the proposed road extension which will require environmental compensation. An environmental impact assessment report has been submitted as part of the application which recommends incorporating 25,668 m² of riparian restoration in the form of wetland creation and enhancement along the Mill Creek corridor to mitigate the environmental impact of the development.

Due to the regulatory complexity of developing land within environmentally sensitive and hillside areas staff are recommending final adoption be considered subsequent to issuance of related development permits and a subdivision preliminary layout review (PLR) letter.

Staff are also recommending that final adoption of the Rezoning Bylaw be considered subsequent to registration of a restrictive covenant limiting the number of dwellings on the subject property in relation to

the applicants ability to provide water service to the property that provides adequate domestic and fire flow water capacities. The property is within the Black Mountain Irrigation District (BMID) service Area. Currently, the property cannot be serviced with the required 150L/S of water to provide minimum fire flows to the entire site. This means a limited number of units (TBD) on a portion of the site could be serviced if BMID and the City combined services. The exact number of units that can be serviced will be confirmed at the Development Permit stage. Staff expect this restriction will no longer be needed once a City reservoir near Summit Drive is upgraded which is currently anticipated to be constructed within 2-5 years.

4.3 Site Context

The subject property is located in the City's Highway 97 Sector between the Dilworth Mountain neighbourhood to the west and Mill Creek to the east. The property is approximately 25.4 ha (62.8 ac) in area and is undeveloped. The property contains a mix of knolls and draws in the west, steep slopes through the centre, and relatively flat land in the east towards Mill Creek.

The majority of the property is located within the Permanent Growth Boundary, with the exception of the northeast corner of the site (which is not proposed to be rezoned). All of the proposed development areas are within the limits of the Permanent Growth Boundary.

The property is bisected by a statutory right-of-way for a FortisBC gas pipeline. A portion of the property east of the right-of-way is within the Agricultural Land Reserve (ALR) no development is proposed in this area. The site is surrounded by a mix of uses specifically: Vacant (Non-ALR) land to the north, industrially zoned lands to the east, and residential/ agricultural land to the west.

Subject Property Map:



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Chapter 3: Future Land Use - Suburban – Multiple Unit (S-MU)

Suburban Multiple Unit lands support a greater variety of multi-unit housing in the Gateway and Suburban Neighbourhoods, located strategically to support the viability of local commercial areas, Village Centres and, in some cases, transit service, schools and other community amenities. Some Suburban Multiple Unit lands are located in the Rural Lands District to reflect existing multi-unit development only.

Table 3.6: Suburban – Multiple Unit Summary

Supported Uses	Supported Forms	Density (FAR)	Other Characteristics
<ul style="list-style-type: none"> • Single and two dwelling residential • Ground-oriented multi-unit residential • Low rise apartments • Secondary suites and carriage houses 	<ul style="list-style-type: none"> • Attached and detached buildings up to 4 storeys 	<ul style="list-style-type: none"> • Up to approximately 1.3 	<ul style="list-style-type: none"> • Considerations for hillside and environmental context

Objective 7.2. Design Suburban Neighbourhoods to be low impact, context sensitive and adaptable.

Policy 7.2.2. Hillside Housing Forms.

Encourage housing forms that best match to the topography and have the lowest amount of impact in hillside areas, such as minimum cuts and fills, for example, and provide the greatest environmental protection. Discourage housing forms and associated roadways that cause high amounts of slope disturbance and visual impact.

Objective 7.4. Ensure a compatible urban-rural interface that protects agricultural uses.

Policy 7.4.1. Agricultural Land Protection.

Retain the agricultural land base for the long-term by supporting the ALR and by protecting agricultural lands from the impacts of adjacent development and redevelopment

6.0 Technical Comments

6.1 Development Engineering Department

- Servicing Memo Attached.

6.2 Parks and Buildings Planning Department

- In accordance with table 5.1 of the OCP required accommodation of a linear pathway (on both sides of Mill Creek). The width for the trail is a minimum of 10 metres, outside of any Riparian Management Area (RMA). The width of the trail must be minimum 2.4m to accommodate a

maintenance vehicle (Class 4). 3. The RMA along Mill Creek upstream of Hardy, for this property, is 30 metres.

- Any lands that are to become City Park must be undisturbed and have been treated for wildland fire hazards prior to transfer.
- A fencing plan will be required, in accordance with Council Policy 364 – Fencing

7.0 Application Chronology

Date of Application Received: August 27th 2020

Date Public Consultation Completed: April 14th 2021

Report prepared by: Alex Kondor, Planner Specialist

Reviewed by: Dean Strachan, Community Planning & Development Manager

Reviewed by: Terry Barton, Development Planning Department Manager

Approved for Inclusion: Ryan Smith, Divisional Director, Planning & Development Services

Attachments:

Attachment A: Map "A" Zoning Bylaw Amendment

Attachment B: Concept Plan

Schedule A: Development Engineering Memo